GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:4889
ANSWERED ON:16.12.2016
Proportion of Expenditure
Choudhary Col. (Retd) Sona Ram

Will the Minister of FINANCE be pleased to state:

(a) whether the Government is aware that proportion of expenditure which is mandated to States/UTs in the name of entitlements are increasing over the years;

(b) if so, the details thereof;

(c) whether the State Government of Rajasthan has requested for the release of compensation on the mandated expenditure; and

(d) if so, the details thereof and action taken thereon?

Answer

MINISTER OF STATE IN MINISTRY OF FINANCE
(SHRI ARJUN RAM MEGHWAL)

(a) & (d): As per the Union Budget documents, entitlements of States/UTs mandated in the form of Central transfers comprising devolution of Central taxes/duties to the States and Central grants under various schemes have been increasing over the years. Further, following the implementation of recommendation of 14th Finance Commission for biggest ever increase from 32% to 42% in share of the States in divisible pool of Central taxes/duties would enable the States (including Rajasthan) to have extra fiscal space. This in turn allows the States to utilize the same as per their contextual requirements. The Union Government has not received any specific proposal from the State Government of Rajasthan for the release of compensation on the mandated expenditure.

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